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# **Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities**

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**EVIDENCE**

**Tuesday, April 15, 2008**

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**Chair**

**Mr. Dean Allison**

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## Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities

Tuesday, April 15, 2008

● (0905)

[Translation]

**The Vice-Chair (Mr. Yves Lessard (Chambly—Borduas, BQ)):** I call the meeting to order.

Pursuant to Standing Order 108(2), we are continuing our study of the federal contribution to reducing poverty in Canada.

I thank the witnesses who are here this morning, and, of course, I bid them welcome. Our witnesses are from the Canadian Council on Social Development, the Canadian Association of Social Workers, and Infometrica.

I am going to ask you to introduce yourselves. I remind you that you have 10 minutes each to make your presentation. Following that, we will move to the question period.

Let us start with Mr. Shillington. We will go in the order indicated for your presentations. Afterwards, we will hear from Ms. Scott.

[English]

**Mr. Richard Shillington (Senior Associate, Infometrica Limited):** Thank you for this opportunity to speak to you once again about poverty in Canada.

I know the committee is interested in speaking about poverty definitions, but I'm only going to say a few words about that, because I think it's a diversion.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** I just wanted you to introduce yourself and your organization. We can start with Ms. Scott.

[English]

**Mr. Richard Shillington:** I'm sorry. I thought you wanted me to go first.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** There is no interpretation? OK, I will introduce you.

Ms. Katherine Scott is the Vice-President, Research at the Canadian Council on Social Development. Mr. Glenn Drover is a social worker and the Ontario representative on the Board of Directors of the Canadian Association of Social Workers. Mr. Richard Shillington is a senior associate at Infometrica.

Let us start with you, Ms. Scott.

[English]

**Ms. Katherine Scott (Vice-President, Research, Canadian Council on Social Development):** Thank you very much, Mr. Chair.

I'd like to take the opportunity to thank the committee for the invitation to come and speak to you today. Certainly it's a topic that's near and dear to our heart.

I'm with the Canadian Council on Social Development. For those of you who don't know the council, I always describe us as the grand old lady of social policy in Canada. We've been around for 80 years. Our earliest concerns date back to the 1920s and to poor children in the post-war period. We've evolved over that time and are now a large national non-partisan research body that focuses on social policy issues and has done research in the area of poverty and poverty measurement.

As Richard said, I understand you're interested in poverty measurement. I've been asked to talk a bit about a study we've done on urban poverty, so I thought I would start my comments by setting that frame about the work that we've done on the issue of urban poverty. Then I'd certainly be happy to entertain questions that you might have about poverty measurement and the like. We're actually in the process of doing a piece of work for a federal-provincial committee on poverty measurement, so I'm happy to field any questions you might have about that and about how we measure or don't measure poverty in Canada, as the case may be.

As I said, I was asked to come and talk to you about some work we've done for many years on urban poverty in Canada. It's been an interesting process, because for many years we didn't actually have any way of understanding poverty at the community level. We didn't have the data to do that. About 10 years ago the council, together with a number of municipalities and community-based organizations, got together to purchase the data necessary to start to understand what was happening in communities. The research that we published recently is based on the 2001 census, and you're lucky because the income release from the statistics of the 2006 census is due out in May, in a few weeks.

The work we've done based on the 2001 census begins to unpack some of the complexity of poverty at the local level. This was an important thing to do around 10 years ago because the understanding was that as the dynamics and composition of poverty changed, poverty was emerging as a huge issue in Canada's large urban centres. Certainly the work we completed over these past few years on the 2001 census data bears that out.

I'd like to start by saying very quickly this isn't to say that poverty isn't a very real and pressing concern in rural areas in Canada, but that in terms of sheer numbers and the acute character of poverty, it has emerged in Canada as a specifically important urban problem. There are many factors, if you're interested, and we can talk about why that is, but certainly Canada's largest cities have the highest poverty rates in Canada. Through the work we've done, we've been able to unpack some of that.

You've probably noted in many of your communities that you now are seeing local poverty studies, and different patterns are emerging. What's interesting, it's important to note, is that while it's highest in urban areas in Canada, the composition of poverty in individual communities is very local. You have cities such as Toronto, for instance, where you are beginning to see the emergence of the suburbanization of poverty. Poverty is now becoming concentrated in the inner suburbs of Toronto. Then you have cities like Saint John, New Brunswick, for instance, where they have a very deprived inner city core and so forth. In Vancouver the dynamics of poverty changed substantially through the 1990s, and you're beginning to see enclaves; for instance, the cities of Richmond and Coquitlam, which historically used to have fairly low poverty rates, actually have much higher rates of poverty because of the concentration of new immigrants.

So when we talk about urban poverty in Canada, I think it's really important to understand that it is really still a very local phenomenon and has everything to do with the composition of the communities and with the patterns and the particularly vulnerable populations in those communities.

I want to touch briefly on one comment I made about the trend toward the suburbanization of poverty. I think sometimes we're very influenced by what we hear about the United States, and certainly that has been an enormously important force in the United States, where you see the hollowing out of major cities and concentration of disadvantage in the Midwest cities and the like. That same pattern hasn't emerged to the same extent in Canada, although we are starting to see it in places like Toronto and Montreal, where gentrification has taken hold in the core and poor people are being displaced to inner suburbs and the like, or in Richmond and Vancouver, where they're going out to other communities.

● (0910)

It comes back to the point that it really does reflect the composition of the population in communities. Our study shows in some detail—and I hope you'll be able to look at some of the profiles we've done for individual communities—the different rates of child poverty, poverty among seniors, poverty among new immigrants, and in the west, concentrations of poverty among aboriginal populations. That has been very important. In cities such as Calgary and Edmonton, which have enjoyed reductions in poverty through

the 1990s and continue to enjoy that now, you'll find that acute pockets of poverty have emerged. That's certainly the case among the aboriginal populations in cities in western Canada. I actually brought the entire report, and I'm happy to answer any particular questions.

When I come away and think about some of the major findings, really it is that Canada is not a uniform country in any way. Our diversity is very much reflected in the urban poverty landscape, and that fact, as you think about the solutions, needs to be taken into account. Certainly we can talk about it, and it's critical to create strong foundations and institutional supports, but local poverty reduction initiatives are really important in that context because the nature and character of urban poverty and community poverty in Canada vary so widely. That was certainly our main conclusion, based on the urban poverty report.

I am conscious of the time, but I wanted to talk a bit about some of the findings with respect to kids and immigrants and urban poverty as well.

The situation with children has been interesting. The findings in our report—and these data are based on the last census—show that back in 2001 roughly one in five residents in large urban areas such as Ottawa, Gatineau, Toronto, and Vancouver were poor, but that roughly one in four children were poor. I don't think that statistic is a surprise, because child poverty rates typically are higher than average poverty rates. When we looked at communities across the country, the highest rates of child poverty were in Montreal and the lowest were in Vaughan. You see quite a huge range between cities, but interestingly enough, you'll find communities where the child poverty rate is actually much lower than the city rate would suggest, and those cities are in Quebec.

What is interesting in this finding, and the reason I bring it to your attention, is that public policy can make a difference in lowering rates of child poverty or in targeting rates. In Quebec, of course, there has been an introduction of public policies that have targeted kids, and we're starting to see some evidence that it's making a difference.

Conversely, when we look at immigrants—and immigrants, by and large, are a group who have higher rates of poverty—it is only those communities with large populations of recent immigrants that experience the very highest rates of poverty. There you see differentials of 40 percentage points between the poverty rate of Canadian-born citizens and the poverty rate of immigrants, particularly new immigrants. Again, those are in communities such as Vancouver, Montreal, and Toronto, and again it comes back to the whole theme of diversity and of understanding that different policy instruments will be necessary to tackle these very serious issues.

I was struck by the literature when we looked at where to... Even among the advocates of very locally based poverty solutions, we see an explosion of interest in poverty reduction across the country by community groups that are mobilizing and taking leadership on this issue. I commend the committee for taking this on. All of these groups come together and point to the critical need for a strong federal response to poverty reduction to create the foundation so that local solutions can thrive.

●(0915)

I am quite struck that we have a need on the one hand for universal or general policies that target all individuals, and a need on the other hand for spatially focused initiatives such as you see emerging. I think that's going to be a critical frame for this committee as it considers the federal contribution to tackling issues such as urban poverty in Canada. Without strong programs such as OAS and GIS, without a strong child tax benefit program, without a progressive tax system, without strong support for public services in health and education, any locally based initiative is destined to fail. I think it's important to keep that in mind.

Even when you look at some of the experimental literature on best practices from other countries—and we can talk about that—when we look at, for instance, the United States, which has some exemplary anti-poverty programming, the absence of critical infrastructure such as public health and the like invariably signals failure. They've not been able to move on their problems of poverty in the United States in the absence of those critical foundational pieces such as public health care, access to high-quality education, public health, and housing. Housing has actually emerged as a critical issue in urban poverty, and you're seeing that in transportation—

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** I have to interrupt you, Ms. Scott, because your time has expired. You will be able to answer questions in a little while. Thank you very much.

We are now going to hear from Mr. Drover and Mr. White, from the Canadian Association of Social Workers.

[English]

**Mr. Drummond White (Social Worker and Board of Director Member - Ontario, Canadian Association of Social Workers):** Thank you very much.

Good morning, and thank you very much for inviting us to join you this morning.

My name is Drummond White. I am representing the Canadian Association of Social Workers. That's a federal body consisting of nine provinces and the north. Our profession has as its guiding light the pursuit of social justice; the strengthening, of course, of our profession; and enhancing excellence in regulation. But the number one goal of our professional association is the pursuit of social justice. It's in that light that we have spent a great deal of time, effort, and our own resources in dealing with issues of poverty.

Today we're focusing here, as we have over the last several years, on women's poverty. We have sponsored a number of papers, *The Declining Health and Well-Being of Low-Income Women in Canada: A Preventable Tragedy*, from two years ago; *Financial Security for Women Seniors in Canada*, from last November; and *Women's Income and Poverty in Canada Revisited*, from 2004.

Glenn Drover, who is our social policy consultant, will be doing the majority of our presentation, and I certainly will be available for questions as well as Glenn.

I turn the floor over to Glenn.

Thank you.

●(0920)

**Dr. Glenn Drover (Social Worker and Social Policy Consultant, Canadian Association of Social Workers):** Thank you.

We had been asked to focus, I had understood, on more the strategies and solutions related to women's poverty rather than the facts and issues. We did give you a written submission that includes documentation on some of the issues related to women's poverty and also the policy challenges.

We'll try to highlight today a few of the possible strategies or solutions that we think might address women's poverty, but before doing so, there are just two quick points I'd like to make in terms of the issues.

One, the gap between men's and women's income and the relatively higher level of women's poverty in Canada is persistent. It's been ongoing for a long time. That gap has not been significantly reduced. Women more than men are likely to be poor, children in considerable measure are poor because their mothers are poor, and older single women are disproportionately poor because of their marginal location in the labour market.

Other developed countries, particularly in northern Europe, have been able to reduce the gap quite significantly between men's and women's income and the level of women's poverty more than we have in this country. We think the European countries offer you some good benchmarks in that respect. We understand you'll be looking at some of them.

We have four core principles, because we think principles are important when you're trying to look at the issue of poverty.

Fundamentally, in relation to women's poverty, a high employment rate is very significant for low-income women in developing sustainable jobs. It is essential to reduce poverty. As we see it, work is the basis of welfare.

Second, supportive social policy includes a family perspective and gender equality. They're fundamental factors to promote women's security and well-being.

Third, social inclusion and equal opportunity for women, as well as men, require adequate, accessible, financial, and sustainable social protection. I think that's just echoing what Katherine said a moment ago.

The fourth point is that women's stakeholders should be involved in the design, implementation, and monitoring of social programs that affect their lives and their livelihood. Very often, as you well know, these are designed by men.

There are, on the basis of these four principles, five multi-dimensional proposals that we think, if they were pursued, would help alleviate the poverty of women.

The first is to revise the poverty line, or low-income cut-off, so that it is more comprehensive and reflects the reality of women's lives. As Richard mentioned earlier, and Katherine, we do have a publication on that particularly in relation to women. I think it's been given to the committee. We think a composite poverty line is important in order to establish targets for a reduction in the rate of poverty.

The second is a proposed reform of welfare and employment insurance. It's based upon the model of the Caledon Institute. We presume you have that. We would just try to echo it and say why we think it's a useful model.

The third set is a promotion of active labour market policies for women, based upon particularly the European experience and European research.

The fourth is a proposal to improve retirement benefits such as OAS, GIS, and CPP. Unlike men, women primarily draw upon those for retirement. That is not the case for a lot of men.

The fifth is a modification of housing supports and subsidies. We think these can be changed to improve the accommodation of senior women and women in general.

I'll go over a few of those things, just to explain them a teeny bit, and then leave the rest to the discussion.

With regard to the composite poverty line, we think it's possible. You're familiar, I'm sure, with the UN index. Other European countries have developed a composite index on poverty. The advantage of doing it is that it doesn't rely upon just income. The research that's been done in England around that issue shows that in fact when you use other indices, you get different results. By having a composite index, you probably get a better picture of poverty. For women, certainly, a lot of issues just don't get picked up with income issues, because it's based upon household or family data very often as well as individual data. For women and families it says nothing about how those resources are used within the family. Very often women are shortchanged on that one, for sure.

So a composite index is kind of important, we think, and we stress that in our report. We elaborate in the report on how we think that can be done.

The reform of welfare and EI is a model that's been put forward by the Caledon Institute. It's a three-tiered system, as you probably know. The first tier is basic income support for anybody looking for employment. The second tier is more geared toward services operated by the provinces. The third tier is for the disabled, who will, I'm sure, elaborate on that when they speak.

We think it's of value for two reasons. One is that it gives the federal government the main responsibility for the income transfers and the income support. That's the level of government that can sustain and support these things much more than the provinces can, particularly around the welfare problem. Other countries in the world have done that.

Secondly, it is a clear division, we think, of the powers or responsibilities of different levels of government. That is a distinction that this current government has been stressing and that we support.

●(0925)

The third area is in terms of active labour policy. Recent European research confirms that active labour market policies of various kinds, whether in relation to standards, discrimination, equity issues, and so on, as well as various types of support, show that women disproportionately take advantage of those programs in Europe and end up employed quite significantly at higher rates than men. So we think that sector certainly needs to be developed within Canada more.

As part of that, we think also that child care is a very important part, because without that, certainly single-parent moms are not going to be able to move into the workforce in any significant way. And it's important to keep in mind also in relation to that child care—because arguments are often made in terms of the advantage to children—that it is also an advantage in terms of labour productivity. So keep that in mind.

The fourth area is improvements in the OAS, GIS, and CPP. I won't get into the details of that, but we can get into that, if you want, during the discussion. There are various ways in which we think those programs can be improved to assist women in relation to both the OAS and GIS in terms of making it more accessible to some women who are currently excluded, and also in terms of CPP, in terms of opening up that program a little bit. One of the disadvantages is that for women who drop out of the labour force for caregiving reasons other than for children—for example, in middle age, to take care of a senior member of the household, or to take care of somebody else—it doesn't have the same dropout provisions as child care for a mother does.

Finally, in relation to housing, again we won't get into details, but we think two aspects about that are important. One is to have a much bigger push in terms of shelter allowances, housing allowances. At the moment, almost all shelter subsidies are tied to social housing units. They're not free and don't go with the individuals. The other aspect is trying to move towards more mortgage accessibility for low-income women.

I'll stop there. Thank you, Chair.

[Translation]

**Mr. Yves Lessard:** You have a minute left, Mr. White.

[English]

**Mr. Drummond White:** We're fine. Thank you.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Mr. Shillington.

[English]

**Mr. Richard Shillington:** I know this committee is interested in speaking about poverty definitions, but I'm going to say only a few words about that because I think it's a diversion.

I will illustrate with an example of why I downplay the definition of poverty. A single senior in Canada without an employer pension has an income of about \$15,000: roughly \$6,000 from old age security, on average \$5,000 from Canada Pension Plan, and \$3,000 or \$4,000 from GIS. That is not a great deal of money. Roughly half of Canadians retire without a pension plan. This is the median: half are below that, half are above that. And 82% of single people who retire without a pension have an income below \$20,000. Would we all agree that these people are living in straitened circumstances? Are they poor? It depends on your definition.

Let's talk about a single senior woman in Quebec with a median income of about \$17,000. Some of them have pensions, some don't. I'm using the last year for which I can get comparable data, which is 2000. The poverty rate for single women in Quebec is 65%, with the median income at \$17,000 and using the low-income cutoff before tax. If I had appeared before the committee 15 years ago we would have been done; we would have said the poverty rate was 65%. But we've made some progress. The after-tax LICO gives you a poverty rate of 38% for the same people. Their incomes haven't changed. Using the after-tax low-income measure, the poverty rate is 21%. Using the MBM, which was created by officials in the federal government, the poverty rate is 5%.

So we've made a great deal of progress. The poverty rate has come down from 64% to 5% and we haven't spent a penny. These changes in the poverty rate will of course have no impact on the well-being or standard of living of those women. The programs that influence the standard of living of poor seniors are not debates about poverty measures, they are programs.

So over the last 25 years, what have we done that may have influenced the income of those women? Old age security has been indexed to prices only since 1984 and hasn't changed except for that. With GIS, three years ago I would have said the same thing, but it was increased a couple of years ago by \$36 per month. That's the only increase in GIS, the main program for low-income seniors, over the last 25 years.

CPP has gone up somewhat because of the increased participation rate by women and a greater participation rate in general. But the maximum CPP is \$10,000, the average is \$7,000, and the average for women is \$5,000 per year, not per month.

We've made some tax changes. We've increased the age credit and the pension credit, and we've brought in pension splitting. None of that will have any influence on the women we're talking about. I think we'll all acknowledge that these people are not taxpayers.

We've increased the RSP limit—we found the funds to do that—in the last 25 years from \$5,000 per year to \$20,000-some per year. I suspect that won't have much influence on these statistics.

I'm going to talk about programs, but before I do, I've given the committee a poem, *Poverty Is*, from children in North Bay. These are not economists. They will not talk about before-tax or after-tax; they will talk about what it's like to be a child living in poverty. I want you to notice that they're not talking about malnutrition or housing; they're talking about social exclusion. That's what they see. If this committee chooses to think about poverty, they will think about social exclusion.

In my view, the anti-poverty measures we have brought in as a government fail because they are targeted at the poor. They are designed, implemented, and administered by an elite that has no contact with poverty and no understanding of the lives of poor people. I'm not exempting myself; I'm part of that elite, and I know I don't know.

We encumber our anti-poverty efforts with regulations and red tape because of our paranoia that they might be overly generous or abused by poor people. Our efforts to target them just lead to eligibility criteria clawbacks—disincentives that simultaneously help people up while holding them back. Virtually all our support programs targeted to low-income people encumber the recipients as the price for assistance.

● (0930)

These programs are narrowly focused to keep costs low. The narrow casting, based on mistrust and suspicion, creates inequalities, complex eligibility criteria based on income and asset rules that nobody in this room, I contend, knows in detail, creating marginal tax rates that are often more than 100%.

Most of the programs I'll talk about have parallel programs for comfortable Canadians, us, which are less encumbering and on which we spend more money and are more generous.

If I have a couple of minutes, I want to quickly go through a raft of programs through which, I think, we could improve the well-being of low-income seniors. I'm not interested in debating whether or not their income would go across that imaginary poverty line figure.

OAS. Very quickly, is everybody here aware that the amount of OAS benefit you get if you're an immigrant depends on which country you came from? Generally speaking you'll get more money if you immigrated from a developed country than from a South Asian or East Asian country.

CPP. If you're low income, you get CPP. It's clawed back out of your GIS. There are problems with CPP take-up and retroactivity. I've been talking about this for eight years. It is overwhelmingly women who are eligible for CPP. The government knows who they are and where they live. They're eligible for CPP and they're not receiving the benefit. When they apply late, they do not get retroactive benefits despite the fact that this is a contributory program.

GIS. There is a 50% clawback. The new \$3,500 exclusion is a good step. But why is it for wages only? Why is it not for earnings? Why are we allowing \$3,500 of wages to be excluded, but not self-employment earnings? Again, it's a narrow casting. It's trying to be restrictive.

Widow's allowance. If you're 60 to 64 and you're low income and you're single, you can get a relatively very generous income support as comparable to OAS/GIS if you're a widow, but not if you're single, not if you're separated, not if you're divorced. What's that about? If he dies the day before your divorce, you're eligible. If he dies the day after, you're not.

Twenty-four percent of the private sector has an employer pension plan. Eighteen percent of the private sector has an employer pension plan that you would want. We are going to have a lot more people in the future, and we know the coverage rates for pensions plans are going down. We're going to have a lot more people. OAS is \$6,000. CPP is \$10,000, with an average of \$7,000, and an average of \$5,000 if you're female. GIS is \$3,000 to \$4,000. The more income you get from other sources, the less GIS you get.

Eighty-two percent of people retiring without a pension have an income of below \$20,000.

Do I have two minutes? I'll go very quickly.

Prescription drug plan coverage. Deductibles and copayment rates are much higher for the public plans than for the employer plans. The public plans—I mean the plans that are administered by governments—have formularies, lists of drugs they cover. The employer plans that most of us would have don't have that list. If your doctor prescribes it, you're covered.

Employment insurance. There has been a cut in benefits by one-third in the last fifteen or twenty years, and by one-half for poor people. The poorer you are, the less likely you are to be eligible for benefits.

Maternity benefits. Under EI, which about half of new mothers get, there is 55% replacement, no more than \$400 per week, with a two-week waiting period. Under the employer plans, there is 93% replacement, no two-week waiting period, and no maximum. Look at what Quebec's doing with the Quebec parental insurance program. It's superb. It's not perfect, but it's a huge step in the right direction. Again, here's a benefit program for low-income people that is much more restrictive, targeted, and less generous than a program for "valued" Canadians.

Learner bonds. What a wonderful idea. This is a benefit to go into RESPs for low-income Canadians. The last I looked, the take-up rate was still less than 10%. This is money available free for people who are low income.

Student loans, millennium scholarships. We're going to give people money. Let's make it taxable and then some provinces take it out of their student loan.

learn\$ave. This is a demonstration program to encourage savings among low-income Canadians. After the fact, Finance has decided it can't live without this money being taxable, which means it's clawed back out of your child benefit and GIS.

Child tax benefit. This is a wonderful program and a wonderful initiative if you're working poor. But you probably know how people on welfare felt about the child tax benefit and how it influenced them and how they were used as sherpas to ship money to the province.

The working income tax benefit. It's not a bad idea. You can't get it if you or your spouse have been a student for three months in the last year. Why are we doing this? I don't understand.

• (0935)

Child care. There's so much that could be done on child care.

Social housing.... On welfare, which is not a federal responsibility, we can do better.

Thank you for your attention.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Thank you very much for keeping to your time. I know that we do not give you much, but you will have the opportunity to finish your presentation during the question period.

It is now time for members of the committee to ask you questions. I remind them that they have seven minutes. Ms. Sgro, from the Liberal Party, is going to start.

[English]

**Hon. Judy Sgro (York West, Lib.):** Thank you very much.

I unfortunately have to go into the House, so I will just ask one question and then turn it over to my colleague.

It's impossible to know where the one question is. I want to first thank you for talking about solutions, which is very much what we're going to try to focus on in this study we're doing.

Mr. Shillington, we could go on forever with you too, and I don't know where to start.

I want to go back to Mr. Drover, in particular.

We talked about the composite index. Given the fact that we're trying to look at LICO and MBM, what is the number we're going to have to try to decide...is that number where everybody should be at? Could you elaborate on the composite index that you referred to? In particular, the concern was that with men and women, the gap is going to be there for, I would imagine, quite a few years before we can really narrow it down. You referred to it specifically for women.

**Dr. Glenn Drover:** What we did was look at the initiatives of other countries to get some sense of what they were doing. They didn't in fact specifically focus on women, but they did develop composite indices. Then we looked at the research around women's income, both within families and individual women. On the basis of that, we developed four indicators that we felt were important—from our research, anyway—to add, because it provides a multi-dimensional....

The good thing about the composite indices that have been developed in Europe particularly is that some of them show in fact that different people will turn up as being poor, depending upon the indicator used. And I guess it's reinforcing the point that Richard made—depending upon your definition, what you include.



We felt that for women in particular there were four areas: around education, because their level of education oftentimes is influenced considerably differently from that of men; health indicators, because life expectancy, maternal mortality, violence, and so forth affect women's ability to work; the quality of housing, and those kinds of measures, to some extent, have already been developed, particularly in the housing standards; and employment indicators, in terms of their employment, the record of employment participation, the longevity of their employment, things of that sort, and also in relation to the family support.

One of the astonishing things that still persist is this. Unfortunately I have not seen studies in Canada, but there are certainly studies done in most European countries and several countries around the world on the differential incomes within families. For a variety of reasons, low-income women are disproportionately disadvantaged in that respect. So we feel it would be important to have indicators related to what's going on within the family, around the kinds of supports they're getting, the kind of independence they have in terms of their income sources, and so on.

Those are the kinds of indicators we felt were possible. Those various indicators have already been tested to some extent for other groups in other countries, so they are possible.

● (0940)

**Ms. Katherine Scott:** Could I follow up on that briefly?

I think what's interesting in Europe is that a number of countries have actually adopted a suite of indicators to track poverty and material deprivation. In fact, I think one of the troubles or stumbling blocks that we voice in Canada...because we've obviously been in this place of limbo for many years around whether the LICO, for instance, the poverty line, is not a poverty line. I actually have to take Richard's point of view, that these sorts of things are a bit of a diversion. Any measure is going to be as good as it is designed. Measures are targeted to reveal particular things, and there will never, ever be one perfect poverty measure. I think what we need to understand is that we may well need different types of measures to track different types of important things.

The LICO, which is much maligned, actually is a very important historical measure. It has been a very credible and rigorous tracking of low income and income inequality in Canada for these many years. We do not have measures, for instance, for material deprivation, and that's what Glenn was talking about.

In Europe they've actually supplemented their relative income poverty lines with a series of deprivation indices, and they report on both. Ireland has taken this step and created a combined measure. If you look at England, when they announced their target to reduce child poverty significantly by 2020, they introduced three different income measures to track their progress, some of which were better targeted to actually tracking program outcomes, and others were tracking income and inequality outcomes, both of which were important.

The idea that we need one measure, I think, is wrong-headed, and maybe the committee could think positively and constructively of a suite of measures to move our agenda forward on this very important topic.

**Mr. Drummond White:** Perhaps I might speak to that point as well.

Very simply, I would suggest that if we look at a very simple measurement, we may end up with a very simple solution. I would suggest that the address to poverty should be of broad scope, which includes the access to employment, which includes a range of services, such as child care. We were talking about family formations. Who has access in the family to the resources of that family? If we have two people working but only one person has access to the finances, is that an equal family? Those are the kinds of issues we need to address in a wide-ranging way. So if we look at a narrow definition of poverty, I don't think that will address the issue. I don't think that will produce the solutions we need to produce a more equitable society.

Thank you.

**Ms. Ruby Dhalla (Brampton—Springdale, Lib.):** Thank you very much to all of you. I think your presentations were excellent, and definitely engaging.

There are lots of questions, as my colleague Ms. Sgro said. I'm going to direct mine to Mr. Shillington, in view of time from our chair, who tells me I have two minutes.

First, what are your thoughts with regard to the composite poverty line that's being proposed by Mr. Drover and Mr. White? I believe it focuses on the four factors of education, health, employment, and family support. Do you think we need a basket of measurement?

Second, you were going to touch upon some more solution-based options that exist for child care and for housing to help reduce poverty in the country. Could you elaborate on that, please?

● (0945)

**Mr. Richard Shillington:** I'm not going to answer your question about poverty because I don't think there's a consensus in this country about what our obligations to low-income people are. To me, a poverty line reflects an acknowledgement that there is a political or a cultural obligation. Is our obligation to the poorest of Canadians that we will keep them alive from Monday to Tuesday? If that's your view of our obligation, that welfare will be money sufficient to keep them alive for another day, your poverty line will reflect that. How many people have enough money to stay alive?

If you believe your obligation is that the money should be more than that, that the money should be sufficient so the people in the family can participate in society with some level of dignity, then you will have a broader poverty line.

If you believe the children in the family should be able to go on the field trips that schools run—read that *Poverty Is* poem—then you will have a different poverty line than if you believe, no, because that child is poor, we understand that the child will not be able to take music and art classes in the school that require extra money; the child will not go, and that is fine with us.

To me, before you decide what your poverty line is and whether or not it's absolute or relative, whether or not it changes with social conditions, you will have acknowledged whether our obligations to low-income people are a basket of services that will keep them alive from day one to day two or whether they are sufficient resources to participate in society.

And I haven't answered you on child care and housing because I want more time.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Thank you, Mr. Shillington and Ms. Dhalla.

We now move on to the Bloc Québécois.

**Mr. Réal Ménard (Hochelaga, BQ):** Thank you, Mr. Chair.

Ms. Scott, in the documents that our research service has provided us with, we are told that your association came up with the idea of splitting the Canadian Health and Social Transfer into two. One transfer would go to social programs and the other to post-secondary education.

Do you still claim ownership of that idea? Could you tell us the pros and cons?

Then I have two questions for the other witnesses, but let us start with you.

[English]

**Ms. Katherine Scott:** Yes. A number of years ago, we made a recommendation—at the time when the CHST was still one transfer—to break out the health transfer and the social and education transfer. That, of course, was done three years ago, and we subsequently made a recommendation to break out the social transfer from the PSE. That was nominally done in the 2007 budget. We felt very strongly that—given the origin of funding for social services, and in particular, anti-poverty programming that traced its roots back to transfer programs after the Second World War and most recently in the Canada assistance plan—it was certainly, in terms of accountability, much better to break out the transfers in order to clearly track whether the actual level of transfer was sufficient to meet need in the provinces and programming in these areas.

These funds have been nominally divided. I don't think they've... [Inaudible—Editor]...as I understand it, in the 2007 budget. The analysis that we did at that time suggested the level of funding—including the formula to bring all provinces up to a single standard, a single per capita formula that's going to be introduced in 2009—for social programs is still less than it was when CAP was rolled into the CHST in the mid-nineties. Certainly we have ongoing concerns about the level of funding to support anti-poverty programming. We do think that the division has been important in that regard, to help us track and understand that.

[Translation]

**Mr. Réal Ménard:** I am very pleased to be part of this committee study. At the same time, the more we hear from witnesses—we are just starting the study, of course—the clearer it seems to me that the committee has to avoid falling into a trap. The trap lies in the fact that the federal government does not provide services directly to our fellow citizens, with the possible exception of people with

disabilities in sheltered work situations. The federal government plays its role more through the tax system. We could mention the Canada Child Tax Benefit or the Guaranteed Income Supplement. Measures like those go directly through the tax system. The government does not play a direct role in health and education.

However, there are two things that the federal government could do directly, and I would like to know your opinion on them. First, there is the whole question of discrimination. Is it not time to add social condition—as this committee could recommend—as a prohibited ground of discrimination under the Canadian Human Rights Act? You may know that eight provinces have already prohibited it in their legislation. Some people think that it would allow legislation on reservations to be challenged, for example, or maybe the Liberals' bill to increase the number of hours required to qualify for Employment Insurance.

So I would like to hear your views on the matter of discrimination. Would you join me in pressing this government to include social condition as a prohibited ground of discrimination under the Canadian Human Rights Act?

• (0950)

[English]

**Mr. Richard Shillington:** About seven or eight years ago there was a Canadian Human Rights Act review panel, a review of the Canadian Human Rights Act. I wrote a document of about 50 pages on exactly that topic, about whether some prohibition against exploitation on the basis of social condition was feasible within the Canadian Human Rights Act.

It's not a simple thing. If you can't decide who's poor and who's not, then it's hard to decide when people are being discriminated against on the basis of poverty. I think it can be done. There's an extensive paper there that basically talks about.... There are obviously people who are being exploited because of their financial vulnerability. If you think about it that way, could you write legislation that prohibits the exploitation of vulnerable people because of their financial situation? Of course you could.

[Translation]

**Mr. Réal Ménard:** Mr. Chair, do I still have a little time?

**The Vice-Chair (Mr. Yves Lessard):** You have a minute and a half.

**Mr. Réal Ménard:** OK. So the...

Go ahead, Mr. Drummond.

[English]

**Mr. Drummond White:** Thank you very much.

I'm reading here from our own social policy principles. One of them is equality. One of them is equity. I'll read the statement on equity full out: "Individuals and families are to be treated equally if they are in like circumstances; social inequalities are considered just to the extent that they result in compensating benefits for the least advantaged person in society."

The implication for us is basically not that some people are treated especially well, but that people are treated so that they can rise to the same level of equity as others.

[Translation]

**Mr. Réal Ménard:** OK.

I am going to ask my second question quickly because I do not want to go over my time.

What kind of effort should the federal government put into housing? We all agree that it is a key element in the fight against poverty.

[English]

**Dr. Glenn Drover:** I can talk about that in relation to our proposals. There were two areas that we felt were important.

One was the development of a housing allowance. It's allocated as a direct transfer or a tax credit and would be a benefit to low-income women. Many other countries have done this, so it's nothing new. We've also experimented with it here. We have it to a small degree in Ontario, for example, but it's not comprehensively developed. It would balance the current system of subsidies, as we see it, because under the current system it's all tied to housing units, whereas the allowance is tied to the individual. It's a very different kind of focus, and it gives the individual a lot more choice in the housing market.

The other one is in relation to housing mortgages. This is a very sensitive area in light of what's happened in the last half a dozen months in the United States and elsewhere, but nevertheless there is potential here for the development of mortgages for low-income people. Again, Ontario, and I believe Quebec, is initiating some small programs in this area. But to use the Ontario example, at the moment the so-called affordable level is what they call the fifth quintile, which if you were to take the city of Ottawa as an example would mean you'd have to have an income of \$71,000. We're clearly not talking about low-income people when the Ontario program is operated. Even in Ontario it's \$23 million; it's less than 3% of their total affordable housing program.

The affordable housing program in this country, as you know, is very meagre. Each of these examples, both the allowance and mortgage support for low-income people, is possible, but it's done on a very minimal scale in Canada at the moment.

• (0955)

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Mr. White, you will probably have the opportunity to finish that answer when Mr. Martin from the NDP asks you questions.

You have seven minutes, Mr. Martin.

[English]

**Mr. Tony Martin (Sault Ste. Marie, NDP):** Thank you very much for taking the time to make your presentations this morning.

As you know, we're grappling with the federal responsibility where poverty in the country is concerned. I don't think we need to look much at whether there is poverty and what it looks like; I think we have a pretty good idea that it's there. As Mr. Shillington said, we have spent a number of years trying to define poverty and not really getting to actually dealing with poverty. In fact he makes a very good case that perhaps the exercise was trying to define poverty out of existence as opposed to actually doing something about it.

Katherine, you talked about local approaches to unique challenges in different areas in the country.

Glenn and Drummond and the Canadian Association of Social Workers talked about the fact that poor children, whom I think we've latched on to in a fairly dramatic way in the country, are always attached to poor families, and in most instances it's a poor mother trying to look after that child.

Richard, you talked about social exclusion. You had an experience at St. Christopher House in Toronto, where you actually came in contact directly with folks who are living in poverty and heard from them. And I think you did a wonderful piece in the *Toronto Star* at one point.

You also referenced a poem, which was first published by ISARC in Ontario, called *Poverty Is*. It's actually on my website, if you want to go there and check it out. It is a wonderful description of the day-to-day challenges of children as they grapple with the issue of poverty.

As quickly as you possibly can, what should the federal role be, in your view?

We can start with Katherine, and we'll work our way across.

**Ms. Katherine Scott:** I'll come back to the argument I was making in my short presentation. While I think local poverty reduction initiatives that are sparking across the country are critical to address the specificities of different communities—and I think poverty does look very different in different communities—it's critical to have a foundation. The federal government has a very important role in creating an equitable income security foundation for Canadians across the country, regardless of where they live. It has wholly and adequately a principal role in creating income security programs targeting different populations to provide adequate and equitable levels of support. I think it also has an important role to play in, obviously, social transfers to direct services at the local and municipal levels. I think as well it has an important role to play in the immigration system, and it has an important role to play in housing.

The federal government has moved back from housing, and I don't think it's an accident or a mistake that when we started to see poverty rising in the 1990s and income inequality emerging, it was at the same time that we saw a significant reduction in federal and provincial moneys in social housing and housing programs, just at the time when private market housing was taking off. Affordable housing remains a critical problem in Canada, and certainly in our large urban areas it is significantly a factor contributing to persistently high levels of poverty.

Interestingly, and I leave this as well as another area to consider, colleagues of mine in Calgary pointed out that they're doing a study of looking at.... There are different types of poverty. In England, for instance, they measure poverty rates based on housing poverty. They also talk about fuel poverty. In many United States communities and in Calgary, they're starting to look at transportation poverty, where people actually can no longer afford to live in areas adjacent to places of employment and are spending upwards of 30% of their income on transportation in order to get to employment. This is an emerging phenomenon that has everything to do with the pattern of suburbanization and economic development at this point in time.

So I think the idea that we are now seeing the emergence, certainly among the working poor, of transportation poor, is important and it speaks to what the role is of the federal government in investing in public transportation infrastructure that facilitates more equitable communities. I think it's important that we think about that. I think the federal government certainly would have a role to play in that regard as well.

● (1000)

**Dr. Glenn Drover:** I'm not going to repeat what Katherine said, but I wanted to highlight a couple of things that I think are important, to be brief about the distinction.

One, I think, is that there has to be respect for the division of responsibilities between the federal government and the provincial and territorial governments. That means, for me at least and I think for us generally, that we see various types of income transfers as largely the responsibility of the federal government. It has the resources to do that across the country. It can create equity across the country by doing that in a way the provinces can't. Historically, to some extent, it's been accepted.

Services and programs should be and are the responsibilities of the provincial and territorial governments and they should remain there. That's why, for example, in terms of our housing proposals, if you understood them, what we were saying is that both the allowance and the mortgage benefits are essentially income transfers of one sort or another, and we saw that as a federal responsibility, not a provincial responsibility. In the housing sector there are lots of initiatives. Most initiatives are really provincial responsibilities in relation to housing, but there can be income transfers in the housing sector that clearly pertain, at least, to the federal government.

The other thing I would say around the poverty measures is that I think there is an advantage in the federal government's developing a composite poverty measure. I would say that there's an advantage politically, because one of the results of the experiences in Europe is that in developing these composite measures they more and more engage the public in defining these things. In fact, once you're just focused on income, people tend to yawn or take a disinterest and say, "I have that level of income and I can get by, so the other person can't get by with \$10,000 or \$7,000 or whatever." But when you start asking people themselves and engaging people in that exercise, it begins to change political attitudes about poverty. That was a significant development, a side effect so to speak, of the development of policy measures in Europe. I think it would be a side effect here as well. And I think that is a federal responsibility because again it's national in scope.

The final thing I would say is in relation to demonstration projects. There are still lots of things that are best practices, based upon other countries and what has been done in other countries, where the federal government could take the lead.

**Mr. Drummond White:** I think in addition to the specifics that my friend illustrated, it's important that the federal government and the federal Parliament take leadership in engaging the Canadian people in this discussion about what it means to be Canadian and what the aspects of social programs and social well-being are. That kind of debate and that kind of dialogue are essential for all of us in our country. As well, of course, just as in so many other areas where

there is an overlapping of responsibilities, I'd suggest that it's also a responsibility of the federal government to take leadership to develop the programs, to develop the dialogue, and develop the research.

Thank you.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Thank you.

Now we move to Mr. Lake, from the Conservative Party, for his questions.

[English]

**Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC):** I'd like to start by thanking you all for being here today.

This is obviously a really important study for us. I often say that regardless of the party stripe, we all want to see poverty decrease in this country. We may have some different ideas on how to get there, and we're hoping that we'll be able to get some new ideas from you in terms of this.

I want to clarify a couple of things. Katherine, I think when you were answering a question from Mr. Martin you referred to poverty rising in the 1990s. Everything I've read right now says that poverty is decreasing and has been decreasing for some time in Canada.

Can you clarify the measures you were talking about?

**Ms. Katherine Scott:** Well, poverty did rise through the early nineties, and around 1997, depending on the measure, it started to come down. But the increase in the early mid-nineties was not only directly related to the business cycle, it was also driven by rising housing costs and other expenses.

Poverty has basically been trending down from 1997. It's basically been static. If we're using the after-tax cycle, it's basically been sliding sideways around the 11% mark for the last four years or so.

Income inequality has continued to grow, so the gap between the rich and the poor, as measured, actually has grown. That's a trend that's evident in many advanced industrialized countries in Europe, and in the United States it's even more pronounced. You see income concentrating in the hands of upper-income Canadians.

● (1005)

**Mr. Mike Lake:** That segues nicely into my next question for you.

We heard a witness last Thursday who talked about purchasing power. There's been a lot of talk and comparison regarding what's happening in Europe and what's happened in the States. The witness we heard last Thursday—I think it was someone from Stats Canada, or they might have been from HRSDC—was talking about purchasing power.

When measuring purchasing power in the U.S. or Canada versus in the European countries, a lot of people point to the Nordic countries particularly. When you point specifically at the tenth percentile—the place where 10% of the population is poorer and 90% is richer, a relatively low-income percentile—our purchasing power here in Canada is actually higher than in the European countries. Purchasing power in the States is actually higher than in those Nordic countries that so many people point to.

Can you comment on your research on that, what you would know about that?

**Ms. Katherine Scott:** There have been some international studies looking at the relative well-being of—you're right—low-income people in the United States versus low-income people in Canada and Europe. Often, though, it's not only a question of purchasing power, but also of what kind of access low-income people in those countries have to public goods, which are services and benefits that aren't captured in income statistics. Certainly from the research with which I'm familiar about the U.S. and Canada, low-income Canadians are in a relatively better position than low-income Americans, given the comparative nature of our welfare state and access to public goods, particularly access to public health care. I think that's correct.

How you take account of that really then becomes a methodological question, how you take account of access to public goods, resources, in your calculation of poverty measurement. Many methodologies have been devised for that.

**Mr. Mike Lake:** Right, and I think that's part of the challenge. As I look at some of the key words as we go through this, I think, in terms of my responsibility as a member of Parliament, stewardship is definitely right up there, and balance, and considering consequences—sometimes unintended consequences.

I look at the study by John Richards, who is a former NDP MLA in Saskatchewan who did a study on poverty—

**Ms. Katherine Scott:** Many years ago, yes.

**Mr. Mike Lake:** Yes, many years ago. You're right.

But he did a study on poverty. I referred to some of the things he talked about—the changes to the EI program and some provincial changes to welfare, which he said contributed to an increase in employment and a decrease in poverty.

But one of the points he makes as well is about people who are not “employable”, and how—I don't want to put words in his mouth—sometimes when we put too much focus on helping people who are employable, thinking that we're doing the right thing, perhaps we don't have the resources left to help the people who are truly not employable, the people who need the help the most.

I've heard a lot of talk from all of the witnesses today in that area, how there are certain groups of people who need specific help. I'd like your comment on that, in terms of that balance and how we manage those public dollars.

**Ms. Katherine Scott:** I'll leave the critique of John Richards' piece to Richard.

The point you're making about the deserving and the undeserving poor is a long-standing theme certainly in Canadian or other Anglo countries. It's a long tradition dating back to the 16th century.

I agree with you, and this speaks to what Richard was saying, that we do tend to have very value-laden approaches to anti-poverty programming. Certainly the emphasis on labour market participation that's been evident in Canada and elsewhere since the late 1980s, I would argue, has tended to push, for instance, the design of the national child tax benefit. One of its explicit goals was to mobilize the labour market participation of parents. That is directly stated in the legislation. As a consequence, the characterization of people who are unable to participate in the labour market...I agree you can have consequences. That particular group of people with their needs can be overlooked or denigrated.

One of the things I would argue about this rigid idea that you're in the labour market or you're out of the labour market, you're a participating Canadian or you're a non-participating Canadian; you're a taxpayer or you're sludge, is that this kind of division is very unhelpful. For instance, when you look at someone in the disability community, they would tell you they are happy and want to actively participate in employment and in community life. They may not be able to be full-time members of the labour market, given the chronic nature of their disability, but we have rigid income security programs that make people have to fit square pegs into round holes. You're either all in or you're all out. Many of the programs, certainly in the social assistance design, force people into those boxes, and that's not helpful.

As for your global question about whether we have an envelope of money, and that the more we focused on making employables the less we focused on other groups that don't have the same potential for labour market participation, I see that a bit differently. I think groups have their own needs and we have to think about it differently, and it shouldn't be constructed as a zero-sum game. We need a range of supports to create a foundation and a base that addresses those needs.

• (1010)

**Mr. Mike Lake:** I'll give you an example of something I consider a lose-lose. I have several foster brothers. I have two foster brothers in Alberta—I'm not going to name them—who are on what's called AISH, assured income for the severely handicapped. In my view, both of those foster brothers are employable. I've had several conversations with them. They've gone through some pretty tough circumstances that they may need help with, but surely they're not severely handicapped to the point where they don't need to be working.

In both cases they live in basement apartments and their lives are pretty much consumed right now by surfing the Internet, playing video games, and things like that. They're in their twenties. I would make the argument that in both cases their lives could be a lot better than that. When I've had discussions with them, they contend that if they were to get a job they would lose their AISH, and that's their concern.

Without going too much into provincial politics, I would also make the argument that the money they receive, while it's not that significant an amount of money—I think they could be making significantly more money if they were working, especially in the Alberta environment right now—could probably be better spent on people who really, truly need the money. So I look at that as a lose-lose, in a sense.

You've got the unintended consequences of trying to help these two individuals who really are probably worse off because of the help they're receiving, I think, and at the same time that money is not being spent in another area where perhaps it might be able to help people who truly cannot help themselves. And that's a concern I have.

**Ms. Katherine Scott:** Well, sure. And I think it would be interesting to hear Richard on this.

I'm sorry. Pardon me.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Please excuse the interruption, Ms. Scott.

Mr. Lake, you have gone considerably over your time.

[English]

**Mr. Mike Lake:** But we can hear an answer, no?

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** The next time they speak, our witnesses can perhaps answer your questions at the same time.

In the next round, each party has five minutes.

Your turn, Mr. Murphy.

[English]

**Hon. Shawn Murphy (Charlottetown, Lib.):** Thank you very much, Mr. Chairman.

I want to thank everyone for the presentations.

This is a very important and broad topic, and this committee will be looking for policy instruments. But it also has to be somewhat respectful of the jurisdictions we are involved with. Some of the instruments, I believe, have worked to a certain degree—they're not perfect—such as the child tax credit and the guaranteed income supplement. When I look back, there are a number of different cohorts, whether it's aboriginals, the disabled, and so on. One of the groups I see out there is unattached individuals, mainly between 55 and 65 and probably predominantly female. There are health issues, predominantly self-esteem, whatever you call it. Those people are on provincial social assistance right now, which is totally inadequate for any kind of dignified living. It's an extremely small allowance, and it's just not acceptable in this century in this country. Again, that's a provincial jurisdiction.

Has there ever been any empirical research on taking the guaranteed income supplement and taking it back to cover the 55- to 65-year-old cohort? What are the costs, the merits, and the obstacles in such a scheme?

• (1015)

**Mr. Richard Shillington:** I have a couple of comments.

I happen to know that there are about 150,000 people on welfare in Canada who are 55 to 64. I just have a habit of remembering numbers. We know that most of them are probably not going to bounce back into a job. The welfare regulations will strip them of any assets and any hope of improving their circumstances, so this is probably, I would say, serving no useful purpose.

I mentioned in my presentation, and I'll come back to it, that there's a widow's allowance program, which is for people who are 60 to 64 who meet an income criterion, and it gives them about \$13,000 a year. It's not a lot of money, but it is perhaps double what they would get on welfare.

There are about 20,000 or so people getting the widow's allowance. There are about 120,000 people, single people on their own, who meet the income criterion for the widow's allowance but who don't happen to be widowed. There has been a Supreme Court challenge of the widow's allowance on the grounds of marital status discrimination. There's a perfect example of what you're talking about. The federal government is already giving it to widows but not to single, divorced, or separated people. Those people, if they're on welfare in Ontario, would be eligible for \$6,000 a year, serving no useful purpose.

I know that the Caledon Institute published a paper recently on the cost of making the widow's allowance broader. So there are some papers out there, and there's a precedent with the widow's allowance.

**Hon. Shawn Murphy:** That also goes to my second issue. Have there been any studies done on...? We all know that income level is one of the determinants of health care costs. Once you're in that 55- to 65-year-old bracket, you're into increased health costs. Has that ever been analyzed as to possible decreases in health care funding from a provincial point of view, which in some provinces is coming close to 50% of their budget?

**Mr. Richard Shillington:** I'd like to make a quick comment. There may be data, and I'm not aware of it, but I'd hate to think that we would provide health care only if there was a cost-benefit analysis that makes it a positive return.

**Hon. Shawn Murphy:** No, but it should be taken into consideration in the discussion because it is a determinant of the....

**Mr. Richard Shillington:** I take your point, but I think you understand what I'm saying as well.

**Hon. Shawn Murphy:** For this committee going forward, are there any international examples the committee should be looking at? I know that Canada is a unique country. Is there any country this committee should be looking at as an example, where they have taken this issue and, through public policy, taken some constructive steps?

**Dr. Glenn Drover:** Fifty-five to sixty-four...?

**Hon. Shawn Murphy:** No, generally speaking.

**Dr. Glenn Drover:** Well, I can start the discussion on that.

I think there are several countries in Europe.... The committee would well know that the Scandinavian countries in general are quite ahead of us in this regard while maintaining high economic growth. Both at an economic level and a social policy level, they set a kind of standard. In addition, England, certainly during the Blair administration, moved quite dramatically to address a lot of these issues, some of them successfully, some of them less so, but nevertheless they did experiment and have come up with some measures of success.

It so happens that Wendy Thomson, who is one of the people who headed up that initiative in England, now lives in Montreal—McGill University. It might be worthwhile talking to her to get some better sense of what's going on and what went on there. She certainly is in touch with what's going on there currently, so you'd have a good sense from that.

Other initiatives have been taking place, both in France and in the Netherlands, in terms of these kinds of initiatives now. France has run into a lot of difficulty because of their income security programs—the high level of them—and as a consequence, they are trying to get people back to work, and so on. Again, one of the programs there that have been relatively successful is for employment of women, particularly middle-aged women.

One of the problems you talked about is not only the 55- to 64-year-olds, but particularly when you get down to the lower ranges there, women still can contribute quite significantly to the economy, so you don't have to write it off as an income transfer there. Perhaps with the 60- to 64-year-olds that's the case, and I would agree with what Richard said earlier, that the allowance and trying to extend that down to single women and so on would probably take care of that cohort.

Generally I would say most northern European countries have welfare systems that frankly, on the whole, are not much better than our own, but they have far fewer people on welfare than we do. And it's because of these other kinds of initiatives, particularly employment market initiatives and other kinds of income transfers for family and child care, that they keep people out of welfare, including these people you were talking about.

• (1020)

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Thank you, Mr. Drover.

We now move to Mr. Gourde.

**Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC):** Thank you, Mr. Chair.

I would like to take the opportunity to thank our witnesses for being here and to congratulate them for their comments.

I would like to give each one of you the opportunity to tell us how we should measure the poverty line. Should our vision be national or provincial? For young people or for elderly people, do we have to consider various sectors? There are also the working poor who cannot make an adequate salary in their jobs.

Could you give us a magic formula or recommend a way in which the line can be calculated?

[English]

**Ms. Katherine Scott:** I don't have a silver bullet. My earlier comment was that I don't think we have a single poverty measure silver bullet. One measure won't do all of the tasks that we need. But I would recommend, on your question of whether we need a national measure, that it's very important to have a set of national measures that can be used to assess the well-being of people living in Corner Brook and those living in Prince George. I think it is important in a country such as Canada to have standards and measures, like the

unemployment rate, GDP, and the like, that are broadly applicable across the country.

I think we do need relative income measures like the LICO, and we can debate the pros and cons of the particular methodology, but that's important. It tracks low income and income inequality. But I would argue that we need to continue to develop a series of deprivation measures, whether it's the MBM or a list of.... For instance, New Zealand has developed a very interesting living standard index over the last decade as part of their social report, which would be very interesting. It would provide more of a direct assessment of people's access to basic goods and services, in some ways similar to some of the measures we have around housing.

But following up on Glenn's point, it would provide a more direct assessment of people's actual living circumstances. I think that would be hugely useful, certainly in a policy and program context, and such a measure could be developed at a provincial or a community level.

I made this case earlier around the United Kingdom. One of the things that have happened in the United Kingdom is that they have made a significant investment in data development and measurement at the local level. They have an extraordinary website, their neighbourhood statistics website—and I can leave the address with the clerk. For 32,000 communities in the United Kingdom, which is extraordinary, they provide incredibly detailed information about community living circumstances and material deprivation in those communities and compare them—actually their status or their ranking—with other communities in the U.K. They call it a swingometer, which I think is a funny term. A resident member can log into this website and find an incredible range of information. But it took the national government in England making that decision around poverty, prioritizing it, and making the investment in data development and measurement, so that 10 years later they have these data that are tremendously useful.

I would recommend a suite of measures. Canada needs to look at creating a deprivation or a living standard index, which I think would be tremendously useful to do.

**Dr. Glenn Drover:** I would just add two things to that.

One, I think the advantage of composite measure is that it allows for differentiation across the country and allows you to take into account the diversity, whether in Quebec or elsewhere. Two, I would say that all poverty measures are ultimately relative. They're always going to be debated, and that debate won't go away.

The advantage of composite measure is that you take into account more things, therefore you take into account more people's perceptions and attitudes. I think that has been the gain in those countries that have moved in that direction. It isn't so much that they have significantly come down and that poverty levels are vastly different. In our study—and you have the report—we compared several countries with Canada in terms of the income transfers and the income levels that were acceptable under LICO and other types of measures. They vary quite a bit across countries, but you can also get some commonalities.

On the deprivation measures that Katherine referred to, the research was done particularly in England on this. One type of measure tended to reflect certain kinds of differences, but there were also some commonalities with the income measures.

So we're not talking about things that will be widely disparate. We are talking about diversity in order to enhance a better understanding of poverty among the Canadian public, as well as among politicians and others who have to implement some measures to address those questions.

• (1025)

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Thank you, Mr. Drover and Mr. Gourde. That is all.

We now move to Mr. Cuzner. I am sorry; actually, we are moving to Mr. Ménard.

**Mr. Réal Ménard:** Mr. Chair, you know how accommodating I am. Accommodating, but not docile.

I would like to bring up something that seems important to me but that we have not yet dealt with in this debate on the fight against poverty. This is the matter of financial services. The National Council of Welfare has discussed it in its earlier reports.

Could you talk to us about access to microcredit? I come from a constituency in Montreal that is chronically disadvantaged. Where I come from, getting \$300 or \$400 to buy a household appliance, or to have one repaired, is extremely complicated. Banks are conspicuous by their absence in my area, and, if you can find one, they do not want to get involved with small loans. The credit unions will, but very reluctantly. The ACEFs have organized projects along these lines to help this segment of the population.

Several years ago, I went to the United States to study their Community Reinvestment Act. I was very surprised to learn that, in a society like the United States, financial institutions have had to report to an institution comparable to our Office of the Superintendent of Financial Institutions since 1977. They actually have to describe the way in which they plan to serve disadvantaged groups like the Hispanic and black communities with microcredit loans.

It seems to me that we cannot produce a serious study without recommendations on microcredit loans, and the role of financial institutions could play. If any of you would like to express ideas or make recommendations along these lines, I would love to hear them.

[English]

**Mr. Richard Shillington:** I don't know anything about it, so I wouldn't want to say anything.

**Dr. Glenn Drover:** I don't either, unfortunately.

**Mr. Drummond White:** I was on the board of a credit union, and I certainly know that in the north of Ontario and in Quebec there are many caisses populaires and credit unions that are very active in those areas. The idea of making a federal obligation for access to micro-credit makes a great deal of sense to me.

I'm speaking here on my own behalf, not on behalf of the CASW.

Thank you.

**Ms. Katherine Scott:** We haven't done any research on that particular area. We certainly know that since the mid-nineties the National Anti-Poverty Organization has lobbied the federal government, in its role as a regulator of financial institutions, to widen the accessibility to financial services by poor individuals. There's been some progress, but it remains very problematic. Some provinces are only now taking steps to regulate pawn shops and the predatory lenders and cheque-cashing services. The United States is much further ahead, and has for a long time, as you pointed out, required financial institutions to create that support.

There are a number of foundations in Canada, for instance, that work on first nations reserves and in developing countries. They have great expertise around micro-credit. They have used that in community economic development as a standard tool. It's an important area that we need to look at, particularly as it pertains to financial literacy and exploitation.

[Translation]

**Mr. Réal Ménard:** Is my time up, Mr. Chair?

**The Vice-Chair (Mr. Yves Lessard):** You have a minute and a half left.

**Mr. Réal Ménard:** Praise the Lord, Mr. Chair.

Some automatic bank machines charge fees, \$1.50 or \$2 per withdrawal. This government's Minister of Finance is worried about these fees himself. As federal legislators, we could at least intervene with financial institutions. Some machines are not associated with a big bank, we know that for a fact.

Furthermore, we could amend the Bank Act to require the banks to report on the way in which they respond to the need for microcredit for the less fortunate. Those matters are clearly in the federal government's jurisdiction, it seems to me. It could be done quite easily. In 1995, the Bloc Québécois tabled bills along these lines. We have also raised the concerns whenever we could in the reports of the Standing Committee on Finance. That is all I have to say.

• (1030)

**The Vice-Chair (Mr. Yves Lessard):** Thank you, Mr. Ménard.

Now we move to Mr. Cuzner.

[English]

**Mr. Rodger Cuzner (Cape Breton—Canso, Lib.):** Thank you. I'm going to try to get three questions in here.

I want to thank the witnesses as well. There has been excellent sharing of information here.

With material deprivation measures, I'd like to get some sense.... My colleague Shawn Murphy and I had this conversation, that when we grew up we both lived in communities where there wasn't a great deal of affluence. Everybody was poor and some people were dirt poor. Obviously society has changed considerably over the last number of years, but what are some of the basic needs that people aren't able to meet right now in today's society? What are those basic needs that poor people aren't able to meet?



**Ms. Katherine Scott:** Are you asking what types of items might be included in a deprivation measure, that sort of thing?

**Mr. Rodger Cuzner:** The comment was that we're not seeing malnourished kids. It's not malnutrition; we're not that deep, but there are social exclusions. So what are some of the basic human needs? Perhaps you could highlight those and put them on the record.

**Mr. Richard Shillington:** I now wish I hadn't said that. I was referring to this poem. I'm not suggesting there's malnutrition.

There are a couple of examples of things you might think about. We know from surveys that there's very little income effect on accessing a physician, but there's a huge income effect in accessing a dentist, huge. The chances of accessing a dentist, if you're a low-income Canadian without employer health benefits, is exceedingly small, and you can see the effect when people reach age 20.

Prescription drugs. Yesterday's *Globe and Mail* had a horrible story about a child. If that child's parents had been employed by the provincial or federal governments, that drug would be covered, I'm sure. I don't know that for a certainty.

Health benefits. What are the things that we value, as credible people with good jobs that carry benefits? We value maternity benefits, we value drug plans, we value dental coverage—all of those health benefits that are subsidized by the treasury through the tax system. Those are generally not available to the working poor. Those are areas where you could take it over. If the employers aren't going to provide it, then do it.

I think we are heading for extraordinary inequality in the incomes of seniors, the disparity between the retirement income of people who had very nice pensions all their lives compared with the half of the population who retire with no pension plan and have average incomes of \$15,000.

**Mr. Rodger Cuzner:** Okay. I'll throw it right back at you then.

I'm sure all witnesses would see some merit in a national program—I know we want to be cautious with the jurisdictional responsibilities, but a national program. I have people coming to my constituency office who tell me it boils down to making decisions as to whether or not to buy their medication or put food in the fridge.

Could I get your comments on a national program, pharmacare or a catastrophic drug program? You might want to weigh in with comments on that.

**Mr. Richard Shillington:** I'll jump in, because I actually did a fair bit of research for Senator Kirby, which was used, and I have actually in my paying life, my salaried job, done a lot of work on pharmacare coverage.

Generally the pharmacare problem is a maritime problem. You're talking about people who do not have coverage whatsoever, basically people who are of working age in the Maritimes. Actually, some provinces are now moving into that area, thankfully. I believe Nova Scotia and Newfoundland are. Many of the provinces have it. Certainly the prairie provinces have reasonable coverage, but the deductibles are extraordinarily high. You have \$800,000 deductibles for a public plan targeted at the need, whereas I think your deductible is \$60, if that.

So we have a program that is far less generous for the poor, which is standard. This is what we do with maternity benefits, child care, everything. The programs for the poor are less generous.

The federal government has an initiative around catastrophic drug coverage, but that's strictly for catastrophic. That's for your \$4,000 to \$5,000 drug care, and we're talking about life and death here, you know that.

So we move that ahead. What I would do is this, and I have no idea if it's in your jurisdiction. There are formularies attached to all these drug plans, and I would say that in each province the formulary for the publicly administered drug plan should be the same as the formulary of the person who administers the program—his employer health benefit. I've always liked to latch on to self-interest, which is why Canadians understand why we don't want two-tier medicine. The reason we want one-tier medicare is so we're all sharing the same program. And we don't do that on dental.

I have one last quick comment. This poem about kids is about hot dog days, it's about field trips. How early does a child who is low income in Canada learn that they're low income? I suspect they learn very quickly. If they haven't learned by the time they're in kindergarten or grade one, they learn there, when they discover that they're not going on the field trip or they can't take art.

Did I use his time? I'm sorry.

• (1035)

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Thank you very much, Mr. Shillington.

Now over to Mr. Brown.

[English]

**Mr. Gord Brown (Leeds—Grenville, CPC):** Thank you very much, Mr. Chairman.

I want to thank our witnesses for being here today. I think many Canadians in their busy lives don't really think about a lot of these issues, and I'm glad this committee is doing this study. I think many of you have some good insight and can help us here.

I'm going to go to Ms. Scott first and go back to the question that Mr. Lake asked about support for those who presently are actually employable and maybe moving some of those resources to those who are unemployable. I know you didn't get to finish that question. Maybe you might like to do that for us.

**Ms. Katherine Scott:** I was going to speak about that example, and I certainly responded that I don't tend to see it as a zero-sum game. What that example said to me, as you were speaking about it, Mr. Lake, concerned the enormous number of disincentives that continue to be built into our income security programs, where your foster mothers would feel it was in their self-interest to continue, assuming they're making a set of rational choices.

I think that's true for income security programs across the country. For instance, a single mother would face the terrible choice of giving up her dental coverage or her access to a clothing allowance for winter. We were talking about what poor people go without. The answer is warm clothes for their kids, real boots to wear to school, and participation in a variety of things. We force low-income people who are reliant or dependent on income security support systems to make these terrible trade-offs all the time.

That was what I was going to say in response to how I heard your example of the foster mothers.

In terms of the question about whether we spend disproportionately, the idea that we're spending too much money on active labour market programs or training for low-income people, well, in fact that's not the experience in Canada. Canada stands out as actually having a fairly undeveloped training assistance and apprenticeship program, particularly for low-income people.

I think there's much to be done in both ways in offering supports not only for people on income assistance programs to participate in the labour market, but for those who would be able to participate in other forms of community life. I speak from my own experience of having a brother with a developmental disability when I speak of providing those opportunities to people to participate in their communities. We've really not done a very good job of that in Canada today.

• (1040)

**Dr. Glenn Drover:** I would like to add in particular one group, a very significant group: single mothers in this country, many of whom are unemployed and many of whom probably would like to be employed. The problem is not so much their willingness to be employed but the disincentives to employment in this country.

The other feature, I think, is that if you compare our training programs with some of the European programs, they have greater depth to their programs and they have greater longevity. Their programs run for longer periods of time. One of the things we have tended to do particularly with single mothers and people on welfare is to go for the quick job to get them off welfare and get them into a job, which may or may not last. So they cycle in and out all the time, whereas the Europeans have gone for the long term and, looking at the markets ahead, have moved toward middle- to high-end jobs as much as possible.

One of the realities with a lot of these single mothers is that they're reasonably well educated. The problem is the care of the kids and other kinds of things they have to deal with, as well as the family supports that are necessary to get them into the labour force. So you have a large significant group there who are not currently being touched in any realistic way.

**Mr. Gord Brown:** Thank you.

I have just one more quick one for Ms. Scott. You said that some places in the U.S. have exemplary poverty programs. Maybe you can tell us where and quickly give us a little bit of a background on them.

**Ms. Katherine Scott:** Certainly the literature on poverty programming describes extraordinary experimental design programs in the United States. Obviously their early head start programs, for instance, led the way in terms of identifying types of supports for

poor kids—integration for school dropouts, zones where they're really tackling school dropouts in certain American inner cities. But what happens is that you'll have these fabulous experimental designs, one-off programs, but they've never been able to scale them up or ramp them up, partly because of the scale involved or the lack of other public infrastructure that would support these types of initiatives.

**Mr. Gord Brown:** Where would one of those programs be that we might be able to do a little bit more research on?

**Ms. Katherine Scott:** It would depend on what you're particularly interested in. I can follow up with you later, if you are looking at school dropouts or training programs for low-income workers or those sorts of things. It's an interesting feature of the United States that some of the best thinking is brought to bear there but that their public systems don't tend to support it, so they actually have quite long-term persistent problems with poverty.

I can follow up afterwards with a particular example for you, if you would like.

**Mr. Gord Brown:** Okay, thank you.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Mr. Martin has the floor now.

[English]

**Mr. Tony Martin:** I'd be interested in that too, so make sure everybody gets that.

I wanted to get back to this issue of definition and the federal role and how we might put something in place here, a framework of some sort that would make sure we are allowing everybody in Canada to participate, but that we're measuring what we're doing so that we know whether we're having success. I wanted to go to Mr. Shillington because I missed out last time. Mr. Shillington had some disparaging remarks to make about this notion of defining or finding a definition and of the time we spend trying to find a definition.

We've heard this morning across the panel that perhaps a composite poverty line or a suite of indicators.... We kind of did that a little bit, but I think we got ourselves into a place that really, in my view, wasn't very helpful in that we moved from LICO to this notion of market basket that Mr. Sarlo has promoted. He'll be coming next week sometime, or very soon, and we'll hear from him.

But I'd like to hear from Mr. Shillington on his notion of what would work in terms of definition and what the federal role should be in this whole exercise.

**Mr. Richard Shillington:** Thank you.

Somebody here said that all poverty measures are relative in that even the market basket we have today is different from the market basket in Pakistan, different from the market basket we had 20 years ago. Actually, to me the critical issue—one that nobody has mentioned—is with regard to when the market basket is adjusted, if you accept that should happen, to reflect the living standards of Canadians in general. If our standard of living goes up 20%, does the poverty line go up at all, or is there no influence? Some people would argue that there should be no effect. Other people would say, no, we're richer; our obligations to the children change.

A critical question, because actually it's political, is whether that adjustment is automatic or ad hoc. The low-income cut-offs are called "relative" because every once in a while they get re-based. That's what makes them relative. If they're not re-based, they're not relative. They're back to being an absolute measure of poverty, where the standard of living doesn't change in time.

The low-income cut-offs were started around 1968. They're re-based every seven or eight years. As you well know, they have not been re-based since 1992, which is one of the reasons why reported poverty—if we use LICOs for poverty, even though we're told we shouldn't—is going down. It's because they haven't been re-based. If you re-based them, I guarantee you the poverty rate would jump.

Statistics Canada, basically on its own, as far as I know, decided not to re-base it. It decided on its own to turn a relative measure of poverty into an absolute measure of poverty.

The market basket measure of poverty, created by HRSDC, was created at the behest of the provincial ministers of social services because they thought LICOs were too generous. I'm not just saying that; I can show you documentation where that's said. It was designed to reflect living standards of low-income people, not general living standards. That was part of the control. So it's not a relative measure of poverty, it's a measure of poverty for the poor. And changes to that basket will be subject to the approval of the provincial ministers of social services, who set welfare lines. That's a wonderful system for them. They can control welfare rates and they can control the poverty line against which they're compared.

The question is, who gets to do the adjustments? Nobody has really talked much about the low-income measure—effectively the half-median—that's the international standard for a developed country. You heard evidence last week that there is no international standard. I disagree; it's LIM, the low-income measure. The problem is that the LIM doesn't do geographic adjustments at all.

So I would recommend, if I had to come up with a poverty measure, the half-median with some reasonable adjustments for geographic differences in housing costs, the way MBM did. I would recommend that it be adjusted not ad hoc, not subject to the ministers of social services, but annually. That would be my preference.

●(1045)

**Mr. Tony Martin:** Thank you.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** We could stop there, but first, if my colleagues will allow me, I would like to bring up a matter that was not dealt with...

[English]

**Mr. Mike Lake:** On a point of order, Mr. Chair, you say that this wraps up our hearing, but we definitely have time for one more Liberal-Conservative round, as written in our routine motions. We might as well use the full amount of time. Can we do that?

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** We have seven or eight minutes left, Mr. Lake, and we have to be out of the room a little earlier because another committee is going to be meeting here at 11:00 a.m. We can have another round, but we will likely be rushing it a little.

Do you have a question, Mr. Lake?

[English]

**Mr. Mike Lake:** Yes, I actually do. Is that okay?

My question is for Mr. Shillington, because we've had a lot of talk today about there being no need for measures and of the need for measures maybe being overstated. Mr. Shillington, in your initial opening statement you referred to an example of a woman from Quebec who, by different measures of poverty, would be defined very differently in terms of percentage. I think it was 65%, and you went down to 5% based on a whole bunch of different examples.

Now, as I explained before, as MPs we're asked to be stewards of Canadian taxpayers' dollars, and of course there are no real federal dollars. The federal government doesn't have a pot of money that is just the federal government's to spend. It's all Canadian individuals' money. As stewards of those dollars, when we're talking to our constituents and we're justifying the decisions we make, we have to be able to explain why we would take money away from one person—a taxpayer, one of our constituents—and give it to maybe not a taxpayer but to another Canadian citizen. There has to be a reasonable justification. That's why it's important that we have measures. If you don't have measures, or if measures aren't important, how do you make these political decisions?

I would actually ask this question of everybody, because I think all of you have touched on the fact that the need for measurement is somewhat overstated. I'd like to hear how you would make those decisions if you were in our position.

●(1050)

**Mr. Richard Shillington:** My comment about the debate over poverty lines being a diversion was based on having appeared before committees like this for more than 20 years and seeing, basically, much more debate about what we mean by poverty than debate about what programs could be put in place to improve the well-being of seniors.

For that group of senior single women in Quebec, those are federal programs, the OAS and GIS. You're right, you have to be accountable. But if I were to argue that we should increase the GIS to help that woman, I'm sure I would be asked how much that is going to cost and told that we can't afford it.

The GIS program costs \$5 billion or \$6 billion in total. The cost of subsidizing the pension incomes and the RRSP incomes of people who will never be in need is measured in the \$20 billion range. For every dollar we give to a poor senior—I can document this—we spend four or five public dollars through the tax system subsidizing the incomes of people who will never be needy. I don't understand why every single time I talk about how we could improve the well-being of low-income people who are needy I get questions about the cost, when it's so easy for us to bring in pension splitting, increased age credits, and increased pension credits for people who are not needy and never will be.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** Thank you, Mr. Shillington.

I am going to let Ms. Dhalla ask a quick question, but then I would like us to wrap up because the next committee is going to be telecast and webcast. So we have to let the other group set up.

[English]

**Ms. Ruby Dhalla:** Mr. Shillington, I'll just start off where I originally started with my question, which you never had time to answer, on the impact of early learning and child care on poverty. You had spoken very eloquently about improving accessibility to programs we have for seniors, such as CPP and GIS and some of the

other programs. What are your thoughts with regard to child care solutions that are needed to address the issue of poverty?

**Mr. Richard Shillington:** Obviously I would like to see a child care program that works. Actually, I don't think you have to look far. You can look across the river. Quebec has a system, which may not be perfect but is a step in the right direction, for both child care and maternity benefits.

You mentioned early education. The more evidence I see in my research about RESPs and student loan programs, the more I just see problems and that these programs aren't working. Part of the reason they're not working is that they're not designed for our children. Our children, on the whole, aren't eligible, so there again, they are more restrictive.

On child care, I wish I knew more about the specific things that work. I look at Quebec and say that it appears to be working better than what we're doing.

[Translation]

**The Vice-Chair (Mr. Yves Lessard):** On behalf of my colleagues and myself, I would like to thank you most sincerely for your contributions to this morning's meeting. I am sure that we will find them very useful as we bring our task to an end.

The meeting is adjourned.

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